

GOVERNMENT OF TELANGANA

ABSTRACT

Industrial Promotion – Customized benefits for mega investment by M/s Welspun Corp Ltd in Telangana for their proposed investment in line pipe manufacturing facility at Chandanvelly (V), Shabad (M), Rangareddy District under Telangana Industrial Development and Entrepreneur Advancement (T-IDEA) Incentive Scheme 2014 – Sanction of Customized Benefits- Orders Issued-Reg

INDUSTRIES AND COMMERCE (IP&INF) DEPARTMENT

G.O.Ms. No.20

Date: 23 –03-2018

Read with the following

- 1) G.O.Ms.No 28, Ind & Com (IP&INF) Dept., Dated 29-11-2014
- 2) Proposal from M/s. Welspun Corp Ltd dated 14-12-2017
- 3) 5th Cabinet sub-committee (Group of Ministers) Meeting dated 21-12-2017
- 4) 37th Meeting of the Council of Ministers (Cabinet) Meeting held on 14-03-2018

ORDER:-

In the reference 1st read above, Telangana Industrial Development and Entrepreneur Advancement provides for giving customized incentives to Mega projects, investing more than Rs 200 Cr or creating more than 1000 jobs, in order to achieve rapid industrialization and fulfil the aspirations of the people of Telangana.

2. In the reference 2nd read above, M/s Welspun Group is a US \$2.3 billion group of companies, fully integrated player in Pipes, plates & coils, and Home Textiles sector, with presence in other business verticals such as steel, infrastructure and energy. Welspun operates in more than 50 countries and employees over 26000 people and has more than 1,00,000 shareholders. M/s Welspun Corp Ltd intends to set up a line pipe manufacturing facility.

3. The project will be developed over an area of 150 acres and will involve a total investment of Rs 266 Cr. It will provide employment to 500 persons (direct and indirect). The project will also include development of social infrastructure such as worker housing, training facilities, medical facilities, educational facilities etc.

4. The proposed investment is estimated to generate substantial direct tangible income Telangana State by way of SGST and power tariff revenue (beyond incentive period) over the next 25 years. It will also generate incremental wage income for the people employed directly and indirectly in the project. In addition, the project is expected to act as an anchor investment for attracting other ancillary units to the region thereby leading to all round development of the area.

5. In the reference 3rd read above, the matter was placed before the 5th Group of Ministers Meeting held on 21.12.2017 and the Committee recommended for sanction certain tailor made benefits and decided to place the matter before the Council of Ministers (Cabinet) meeting.

6. In the reference 4th read above, the matter was placed before the 37th Meeting of the Council of Ministers held on 14.03.2018 and the Cabinet agreed to extend the following customized incentives to M/s Welspun Corp Ltd (the Company): -

- 1) One time Capital Subsidy of 10% of eligible Fixed Capital Investment under T-IDEA.
- 2) Interest Subsidy @ 5% per Annum for a period of 5 Years on Eligible Capital Investment.
- 3) Power Tariff subsidy of Rs 2.5 per unit for a period of 10 years
- 4) 100% Net SGST Reimbursement for SGST collected on end product / intermediate product within the entire value chain for a period of 10 years from the date of commencement of commercial production, or up to realization of 100% eligible Fixed Capital Investment, whichever is earlier.
- 5) Allotment of 150 acre of encumbrance free Undeveloped Industrial Land (Non Agriculture) parcel with ready external infrastructure like four lane roads, power, natural gas, raw water etc.
- 6) All other benefits as applicable under the T-IDEA will be made available.
- 7) A separate order will be issued providing guidelines for process of claiming incentives, timelines for achievement of investment and employment objectives and generation of local employment.

7. Government after careful examination in the matter hereby sanction the customized benefits mentioned above at para (6) to M/s Welspun Corp Ltd for setting up line pipe manufacturing facility at Chandanvelly (V), Shabad (M), Rangareddy District.

8. The Commissioner of Industries, Hyderabad and the Vice Chairman & Managing Director, Telangana State Industrial Infrastructure Limited, Hyderabad shall take further necessary action in the matter accordingly.

(BY ORDER AND IN THE NAME OF GOVERNOR OF TELANGANA)

**JAYESH RANJAN
PRINCIPAL SECRETARY TO GOVERNMENT AND
COMMISSIONER FOR INDUSTRIAL PROMOTION**

To
The Commissioner of Industries, Hyderabad
The Vice Chairman & Managing Director, Telangana State Industrial Infrastructure Limited, Hyderabad
M/s Welspun Corp Ltd

Copy to:-
The Principal Secretary, CMO
PS to Prl. Secretary to Government & CIP, Industries & Commerce Department.
SF/SC

//Forwarded::By order//

SECTION OFFICER

